



# ***TD 2022/10 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022-23 income year?***

 This cover sheet is provided for information only. It does not form part of *TD 2022/10 - Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022-23 income year?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *10 August 2022*



Status: **legally binding**

## Taxation Determination

# Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2022–23 income year?

### **📌 Relying on this Determination**

This publication is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Determination applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Determination. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Determination.

**[Note:** This is a consolidated version of this document. Refer to the Legal database ([www.ato.gov.au/law](http://www.ato.gov.au/law)) to check its currency and to view the details of all changes.]

<b>Table of Contents</b>	<b>Paragraph</b>
What this Determination is about	1
Reasonable amount for overtime meal expenses	4
<u>Example 1 – calculation of reasonable amount for overtime meal expenses</u>	5
Reasonable amounts for domestic travel expenses	10
<u>Example 2 – calculation of reasonable amount for meals and incidental expenses – domestic</u>	18
Reasonable amounts for domestic travel expenses for employee truck drivers	23
<u>Example 3 – calculation of reasonable amount for meals – employee truck drivers</u>	27
Reasonable amounts for overseas travel expenses	31
<u>Example 4 – calculation of reasonable amount for meals and incidental expenses – overseas</u>	40
Date of effect	44

### **What this Determination is about**

1. This Determination sets out the amounts that the Commissioner considers are reasonable (reasonable amounts) for the substantiation exception<sup>1</sup> in Subdivision 900-B of the *Income Tax Assessment Act 1997* for the 2022–23 income year in relation to claims made by employees for:

- overtime meal expenses – for food and drink when working overtime

<sup>1</sup> This Determination should be read together with Taxation Ruling TR 2004/6 *Income tax: substantiation exception for reasonable travel and overtime meal allowance expenses*, which explains the substantiation exception and the way in which these expenses are able to be claimed.

---

Status: **legally binding**

---

- domestic travel expenses – for accommodation, food and drink, and incidentals when travelling away from home overnight for work (particular reasonable amounts are given for employee truck drivers, office holders covered by the Remuneration Tribunal and Federal Members of Parliament), and
- overseas travel expenses – for food and drink, and incidentals when travelling overseas for work.

2. The approach outlined in this Determination can only be used where you receive an allowance to cover the particular expenses you are claiming – for example, you received an accommodation allowance and are claiming accommodation expenses. This Determination is not relevant to you where you do not receive an allowance to cover your expenses.

3. The reasonable amounts only provide the maximum amount you can claim without being required to substantiate your expenditure (refer to paragraph 33 of TR 2004/6). If you rely on the reasonable amounts and the ATO checks your tax return, you will still be required to show:

- you spent the money in performing your work duties (for example, in travelling away from home overnight on a work trip)
- how you worked out your claim (for example, you kept a diary)
- you spent the money yourself (for example, using your credit card statement or other banking records) and were not reimbursed (for example, a letter from your employer), and
- you correctly declared your allowance as income in your tax return.

#### **Reasonable amount for overtime meal expenses**

4. For the 2022–23 income year, the reasonable amount for overtime meal expenses is \$33.25.

---

#### **Example 1 – calculation of reasonable amount for overtime meal expenses**

5. *Samantha works for the local government. She is asked to work overtime one night to complete an urgent task. Samantha works her 8-hour day followed by 4 hours of overtime. Samantha receives an overtime meal allowance of \$14.98 pursuant to her agreement, which is shown on her payment summary. During the overtime, Samantha takes a rest break to get a meal and returns to continue her overtime. Samantha spends \$20 on her meal.*

6. *Because Samantha has spent less than the reasonable amount for overtime meal expenses, she can claim a deduction for the \$20 she spends and she is not required to substantiate the expenditure (for example, get and keep the receipt for the meal).*

7. *If Samantha's tax return is checked by the ATO, she may be asked to explain her claim for a deduction. To do this, Samantha would show that she:*

- *worked overtime*
- *was paid an overtime meal allowance under an industrial instrument*
- *correctly declared this allowance as income in her tax return, and*

---

Status: **legally binding**

---

- *costed her meal at \$20 based on the cost of the curry and drink she purchased from a nearby Thai restaurant.*
8. *If Samantha had spent more than the reasonable amount and wanted to claim the higher amount she spent, she would need to get and keep the receipt for the meal.*
9. *If Samantha's overtime meal allowance was not shown on her payment summary and she fully spent the allowance, she can choose to leave it out of her tax return and not claim a deduction for the meal she purchases when working overtime.*
- 

### **Reasonable amounts for domestic travel expenses**

10. The following reasonable amounts do not apply to employee truck drivers<sup>2</sup>, office holders covered by the Remuneration Tribunal<sup>3</sup> or Federal Members of Parliament.<sup>4</sup>
11. Reasonable amounts are provided for 3 salary levels. Salary excludes any allowances received. Use Table 1 of this Determination if your salary is \$133,450 and below. Use Table 2 of this Determination if your salary is between \$133,451 and \$237,520. Use Table 3 of this Determination if your salary is \$237,521 or more.
12. Reasonable amounts are given for:
- accommodation at daily rates (for domestic travel only)
  - meals (showing breakfast, lunch and dinner), and
  - expenses incidental to travel.
13. These amounts are shown for the following travel destinations:
- each Australian State and Territory capital city (see Tables 1 to 3 of this Determination)
  - certain specified high-cost regional and country centres (see Table 4 of this Determination for individual amounts)
  - other specified regional and country centres (a common amount is given for locations listed in Table 5 of this Determination), and
  - all other regional and country centres (a common amount is given for all locations not listed in Tables 4 or 5 of this Determination).
14. The reasonable amount for accommodation applies only for short stays in commercial establishments like hotels, motels and serviced apartments. If a different type of accommodation is used (for example, a hostel or caravan park), the reasonable amount cannot be used even if you receive an allowance.
15. The reasonable amount for meals depends on the period and time of travel. That is, the reasonable amounts only apply to meals (that is, breakfast, lunch and dinner) that fall within the time of day from the commencement of your travel to the end of your travel

---

<sup>2</sup> See paragraphs 23 to 30 of this Determination for the rates for truck drivers.

<sup>3</sup> Paragraphs 66 to 69 of TR 2004/6 set out that claims made by office holders covered by the Remuneration Tribunal are considered to be reasonable amounts if they do not exceed the rate of allowances set by the Remuneration Tribunal for that office holder.

<sup>4</sup> Paragraphs 70 and 71 of TR 2004/6 set out that travel allowances paid to Federal Members of Parliament and Federal Parliamentary Secretaries, under the arrangements that commenced on 14 April 1998, are considered reasonable amounts for the recipients of those allowances. This includes the capital city and Canberra travel allowance rates for domestic travel, having regard to the circumstances under which those allowances are paid.

Status: **legally binding**

that is covered by the allowance. For example, if you leave at 10:00 am on Monday and return home at 3:00 pm on Tuesday, you can apply the reasonable amounts for lunch and dinner on Monday and breakfast and lunch on Tuesday.

16. The reasonable amount for incidentals applies in full to each day of travel covered by the allowance, without the need to apportion for any part-day travel on the first and last day.

17. The reasonable amounts for domestic travel expenses, according to salary levels and destinations, for the 2022–23 income year, are shown in Tables 1 to 5 of this Determination as follows:

**Table 1: Reasonable amounts for domestic travel expenses – employee’s annual salary \$133,450 and below**

Place	Accomm. (\$)	Food and drink (\$) breakfast 29.90 lunch 33.65 dinner 57.30	Incidentals (\$)	Daily total (\$)
Adelaide	157	as above	21.30	299.15
Brisbane	175	as above	21.30	317.15
Canberra	168	as above	21.30	310.15
Darwin	220	as above	21.30	362.15
Hobart	147	as above	21.30	289.15
Melbourne	173	as above	21.30	315.15
Perth	180	as above	21.30	322.15
Sydney	198	as above	21.30	340.15
High-cost country centres	see Table 4	as above	21.30	variable
Tier 2 country centres (see Table 5)	134	breakfast 26.80 lunch 30.60 dinner 52.75	21.30	265.45
Other country centres	121	breakfast 26.80 lunch 30.60 dinner 52.75	21.30	252.45

**Table 2: Reasonable amounts for domestic travel expenses – employee’s annual salary \$133,451 to \$237,520**

Place	Accomm. (\$)	Food and drink (\$) breakfast 32.55 lunch 46.00 dinner 64.50	Incidentals (\$)	Daily total (\$)
Adelaide	208	as above	30.50	381.55
Brisbane	257	as above	30.50	430.55
Canberra	246	as above	30.50	419.55
Darwin	293	as above	30.50	466.55
Hobart	196	as above	30.50	369.55
Melbourne	228	as above	30.50	401.55
Perth	245	as above	30.50	418.55
Sydney	264	as above	30.50	437.55
High-cost country centres	see Table 4	as above	30.50	variable
Tier 2 country centres (see Table 5)	160	breakfast 29.90 lunch 30.60 dinner 59.60	30.50	310.60

**TD 2022/10**Status: **legally binding**

Place	Accomm. (\$)	Food and drink (\$) breakfast 32.55 lunch 46.00 dinner 64.50	Incidentals (\$)	Daily total (\$)
Other country centres	145	breakfast 29.90 lunch 30.60 dinner 59.60	30.50	295.60

**Table 3: Reasonable amounts for domestic travel expenses – employee’s annual salary \$237,521 and above**

Place	Accomm. (\$)	Food and drink (\$) breakfast 38.20 lunch 54.05 dinner 75.65	Incidentals (\$)	Daily total (\$)
Adelaide	209	as above	30.50	407.40
Brisbane	257	as above	30.50	455.40
Canberra	246	as above	30.50	444.40
Darwin	293	as above	30.50	491.40
Hobart	196	as above	30.50	394.40
Melbourne	265	as above	30.50	463.40
Perth	265	as above	30.50	463.40
Sydney	265	as above	30.50	463.40
All country centres	195 or the relevant amount in Table 4 if higher	as above	30.50	variable

**Table 4: Reasonable amounts for domestic travel expenses – high-cost country centres accommodation expenses**

Country centre	\$	Country centre	\$
Albany (WA)	179	Jabiru (NT)	216
Alice Springs (NT)	150	Kalgoorlie (WA)	172
Armidale (NSW)	147	Karratha (WA)	215
Ballarat (VIC)	159	Katherine (NT)	162
Bathurst (NSW)	141	Kununurra (WA)	204
Bega (NSW)	145	Launceston (TAS)	143
Benalla (VIC)	143	Lismore (NSW)	144
Bendigo (VIC)	140	Mackay (QLD)	161
Bordertown (SA)	149	Maitland (NSW)	163
Bourke (NSW)	165	Mount Gambier (SA)	142
Bright (VIC)	167	Mount Isa (QLD)	168
Broken Hill (NSW)	152	Mudgee (NSW)	164
Broome (WA)	220	Muswellbrook (NSW)	157
Bunbury (WA)	157	Newcastle (NSW)	185
Bundaberg (QLD)	147	Newman (WA)	239
Burnie (TAS)	164	Nhulunbuy (NT)	230
Cairns (QLD)	163	Norfolk Island (NSW)	190
Carnarvon (WA)	156	Northam (WA)	189

Status: **legally binding**

<b>Country centre</b>	<b>\$</b>	<b>Country centre</b>	<b>\$</b>
Castlemaine (VIC)	146	Nowra (NSW)	147
Chinchilla (QLD)	143	Orange (NSW)	176
Christmas Island (WA)	198	Port Hedland (WA)	175
Cobar (NSW)	144	Port Lincoln (SA)	170
Cocos (Keeling) Islands (WA)	331	Port Macquarie (NSW)	170
Coffs Harbour (NSW)	148	Port Pirie (SA)	150
Colac (VIC)	138	Queanbeyan (NSW)	139
Dalby (QLD)	177	Queenstown (TAS)	136
Dampier (WA)	175	Rockhampton (QLD)	139
Derby (WA)	170	Roma (QLD)	146
Devonport (TAS)	158	Shepparton (VIC)	150
Dubbo (NSW)	148	Swan Hill (VIC)	154
Emerald (QLD)	156	Tennant Creek (NT)	146
Esperance (WA)	162	Toowoomba (QLD)	144
Exmouth (WA)	190	Thursday Island (QLD)	258
Geelong (VIC)	149	Townsville (QLD)	143
Geraldton (WA)	165	Wagga Wagga (NSW)	154
Gladstone (QLD)	155	Wangaratta (VIC)	158
Gold Coast (QLD)	209	Weipa (QLD)	190
Gosford (NSW)	145	Whyalla (SA)	145
Griffith (NSW)	138	Wilpena-Pound (SA)	193
Halls Creek (WA)	170	Wollongong (NSW)	158
Hervey Bay (QLD)	157	Wonthaggi (VIC)	160
Horn Island (QLD)	295	Yulara (NT)	440
Horsham (VIC)	154		

**Table 5: Tier 2 country centres**

<b>Country centre</b>	<b>Country centre</b>
Albury (NSW)	Kingaroy (QLD)
Ararat (VIC)	Maryborough (QLD)
Ayr (QLD)	Mildura (VIC)
Bairnsdale (VIC)	Nambour (QLD)
Ceduna (SA)	Naracoorte (SA)
Charters Towers (QLD)	Narrabri (NSW)
Cooma (NSW)	Port Augusta (SA)
Cowra (NSW)	Portland (VIC)
Echuca (VIC)	Renmark (SA)
Goulburn (NSW)	Sale (VIC)
Grafton (NSW)	Seymour (VIC)
Gunnedah (NSW)	Tamworth (NSW)
Hamilton (VIC)	Taree (NSW)
Innisfail (QLD)	Tumut (NSW)
Inverell (NSW)	Warrnambool (VIC)
Kadina (SA)	Wodonga (VIC)

---

Status: **legally binding**

---

**Example 2 – calculation of reasonable amount for meals and incidental expenses – domestic**

18. Svetlana is an accountant earning \$145,000 a year. As part of her duties, she is required to travel to and work in Sale for 4 days and 3 nights each month. Svetlana's employer pays for her accommodation directly and gives her a meal and incidental allowance of \$80 per day for the 4 days of travel. This allowance is shown on her payment summary. Svetlana's usual pattern is to eat 3 times a day, spending \$20 on breakfast, \$25 on lunch and \$40 on dinner (that is, a total of \$85 per day). Svetlana calculates the daily reasonable amount for meals and incidentals as follows:

- Table 2 of this Determination applies because Svetlana's salary is between \$133,451 and \$237,520.
- Sale is listed as a Tier 2 country centre in Table 5 of this Determination.
- Table 2 of this Determination provides reasonable amounts for Tier 2 country centres as \$120.10 per day for meals and \$30.50 per day for incidentals (that is, a total of \$150.60 per day).

19. Because Svetlana has spent less than the reasonable amount on meals and incidentals, she can claim a deduction for the \$85 per day that she spends on meals and she is not required to substantiate the expenditure (for example, get and keep all of the receipts for the meals). Svetlana cannot claim anything for accommodation because her employer paid for it.

20. If Svetlana's tax return is checked by the ATO, she may be asked to explain her claim for a deduction. To do this, Svetlana would show that she:

- travelled to and worked in Sale for 4 days each month
- received an allowance for the meals and incidentals for each day she travelled
- correctly declared this allowance as income in her tax return, and
- typically spent \$85 a day on meals and incidental expenses (for example, by reference to diary entries, bank records and receipts that she kept for some of the trips).

21. If Svetlana had spent more than the reasonable amount on meals and incidentals and wanted to claim the higher amount that she spent, she would need to get and keep all of the receipts.

22. If Svetlana's meal and incidental allowance was not shown on her payment summary and she fully spent the allowance, she can choose to leave it out of her tax return and not claim any deductions for the meals and incidentals that she purchases while travelling and working in Sale.



---

Status: **legally binding**

---

***Reasonable amounts for domestic travel expenses for employee truck drivers<sup>5</sup>***

23. Reasonable amounts are given for meals (breakfast, lunch and dinner). The amounts are for all domestic travel destinations (that is, capital cities, regional and country centres). For the 2022–23 income year, the relevant amounts are as set out in Table 5a of this Determination:

***Table 5a: Reasonable amounts for domestic travel expenses – employee truck driver’s meals (food and drink)***

<b>Breakfast</b>	<b>Lunch</b>	<b>Dinner</b>
\$26.80	\$30.60	\$52.75

24. The amounts for each of these meal breaks are separate and cannot be aggregated into a single daily amount. This is of particular importance for the days on which travel commences and ends, when some meals may not be deductible because they are not consumed in the course of work travel. A driver’s work diary (as maintained for fatigue-management purposes) can be used to demonstrate when meal breaks were taken, since employee truck drivers may take meal breaks at different times of the day compared to other taxpayers. It should also be noted that amounts cannot be moved from one meal to another (for example, if the full amount for breakfast is not expended, it cannot be carried over to lunch or dinner).

25. The deduction allowed for each meal is the amount actually spent and not simply the reasonable amount specified in Table 5a of this Determination. Although the formal substantiation requirements do not apply for claims up to the reasonable amount, taxpayers should still be able to demonstrate the basis for their claims. Example 3 of this Determination shows how this can be done.

26. All accommodation expenses and incidental expenses (for example, the cost of a shower) incurred by employee truck drivers as part of work-related travel must be substantiated with written evidence (for example, a receipt).

---

***Example 3 – calculation of reasonable amount for meals – employee truck drivers***

27. *Glenn is an employee truck driver. He is required to drive from Melbourne to Adelaide. Glenn leaves Melbourne at 9:00 pm, sleeps away from home overnight in his truck cab, then drives back to Melbourne the following day. Glenn is paid a travel allowance of \$40 for each day. These amounts are shown on his payment summary.*

28. *Glenn stops around midnight at a 24-hour truck stop in Horsham and spends \$25 on food and drink. He then continues to Adelaide where he snacks on a sandwich and fruit that he brought from home, before having a sleep in the truck cab. In the morning, Glenn spends \$20 on food and drink at the truck stop where he parked overnight. After the truck is unloaded and reloaded, Glenn heads to Bordertown where he stops for lunch. Here he spends \$25 on food and drink. He then continues to Melbourne arriving at 5:00 pm, snacking on almonds and water that he brought from home as he drives.*

29. *Because Glenn spent less than the reasonable amount for each of dinner, breakfast and lunch, he can claim a deduction for the full amount that he spent on those meals (\$70) and is not required to obtain and keep all of the receipts for these meals. He*

---

<sup>5</sup> For further information on truck drivers, refer to paragraphs 72 to 75 of TR 2004/6 and to Taxation Ruling TR 95/18 *Income tax: employee truck drivers-allowances, reimbursements and work-related deductions*.

---

Status: **legally binding**

---

*may still need to provide a reasonable explanation of the expenses and so the receipts could be useful in demonstrating a pattern (see paragraph 30 of this Determination).*

30. *If Glenn's tax return is checked by the ATO, he may be asked to explain his claim for these amounts. He would need to:*

- *show that he travelled to and from Adelaide (for example, his work diary)*
  - *show that he received an allowance for the meals for each day that he travelled*
  - *show that he correctly declared this allowance as income in his tax return, and*
  - *demonstrate his typical spending pattern on meals; this could be by reference to diary entries, bank records and receipts kept for some (a representative sample) of his trips.*
- 

### **Reasonable amounts for overseas travel expenses**

31. If you are travelling overseas and are away from your usual residence for 6 or more nights in a row, you must still keep travel records even if you rely on the reasonable amounts and do not have to substantiate your expenses. Travel records may include ticketing information, diary entries or other information setting out the nature of your travel, the day and time it began, how long it lasted and where you travelled.

32. Reasonable amounts are provided for 3 salary levels. Salary excludes any allowances received.

- Use Table 6 of this Determination if your salary is \$133,450 and below.
- Use Table 7 of this Determination if your salary is between \$133,451 and \$237,520.
- Use Table 8 of this Determination if your salary is \$237,521 or more.

33. Reasonable amounts are given for:

- meals (showing breakfast, lunch and dinner), and
- expenses incidental to travel.

34. Any expenditure on accommodation overseas must be fully substantiated.

35. Reasonable amounts are shown for cost groups to which a country has been allocated. Table 9 of this Determination sets out the cost group to which a country has been allocated.

36. If you travel to a country that is not shown in Table 9 of this Determination, use the reasonable amount for Cost Group 1 in the table relevant to your salary range.

37. If you travel to 2 or more countries in the same day, use the cost group of the country that is in the higher cost group in determining the reasonable amount for that day.

38. The reasonable amount for incidentals applies in full to each day of travel covered by the allowance, without the need to apportion for any part-day travel on the first and last day.

Status: **legally binding**

39. The reasonable amounts for overseas travel expenses per day according to salary levels and cost groups for the 2022–23 income year are shown in Tables 6 to 9 of this Determination as follows:

**Table 6: Reasonable amounts for overseas travel expenses – employee’s annual salary \$133,450 and below**

Cost Group	Meals (\$)	Incidentals (\$)	Total (\$)
1	60	25	85
2	95	30	125
3	130	35	165
4	170	35	205
5	200	40	240
6	240	45	285

**Table 7: Reasonable amounts for overseas travel expenses – employee’s annual salary \$133,451 to \$237,520**

Cost Group	Meals (\$)	Incidentals (\$)	Total (\$)
1	75	25	100
2	110	35	145
3	150	40	190
4	190	45	235
5	240	50	290
6	295	50	345

**Table 8: Reasonable amounts for overseas travel expenses – employee’s annual salary \$237,521 and above**

Cost Group	Meals (\$)	Incidentals (\$)	Total (\$)
1	95	30	125
2	140	40	180
3	185	45	230
4	235	50	285
5	295	60	355
6	340	60	400

Status: **legally binding**

**Table 9: Table of countries**

Country	Cost Group	Country	Cost Group	Country	Cost Group	Country	Cost Group
Albania	2	Ecuador	4	Laos	3	Rwanda	3
Algeria	3	Egypt	3	Latvia	4	Saint Lucia	5
Angola	5	El Salvador	3	Lebanon	4	Saint Vincent	4
Antigua and Barbuda	6	Eritrea	4	Lithuania	3	Samoa	4
Argentina	2	Estonia	4	Luxembourg	5	Saudi Arabia	4
Armenia	3	Ethiopia	2	Macau	5	Senegal	4
Austria	5	Fiji	3	Malawi	2	Serbia	3
Azerbaijan	3	Finland	6	Malaysia	3	Sierra Leone	2
Bahamas	6	France	5	Mali	3	Singapore	6
Bahrain	5	French Polynesia	6	Malta	4	Slovakia	4
Bangladesh	4	Gabon	6	Mauritius	4	Slovenia	3
Barbados	6	Gambia	2	Mexico	3	Solomon Islands	4
Belarus	2	Georgia	2	Monaco	6	South Africa	2
Belgium	5	Germany	5	Morocco	4	Spain	5
Bermuda	6	Ghana	4	Mozambique	3	Sri Lanka	3
Bolivia	3	Gibraltar	4	Myanmar	3	Sudan	2
Bosnia	2	Greece	4	Namibia	2	Surinam	3
Brazil	3	Guatemala	4	Nepal	3	Sweden	5
Brunei	3	Guyana	3	Netherlands	5	Switzerland	6
Bulgaria	3	Hong Kong	5	New Caledonia	5	Taiwan	5
Burkina Faso	3	Hungary	3	New Zealand	4	Tanzania	3
Cambodia	2	Iceland	6	Nicaragua	3	Thailand	4
Cameroon	4	India	3	Nigeria	4	Tonga	3
Canada	4	Indonesia	3	North Macedonia	2	Trinidad and Tobago	6
Chile	3	Iran	1	Norway	6	Tunisia	2
China	5	Iraq	4	Oman	6	Türkiye (Turkey)	3
Colombia	3	Ireland	5	Pakistan	2	Uganda	3
Congo Democratic Republic	4	Israel	6	Panama	4	Ukraine	3
Cook Islands	4	Italy	5	Papua New Guinea	4	United Arab Emirates	6
Costa Rica	3	Jamaica	4	Paraguay	2	United Kingdom	5
Cote D'Ivoire	4	Japan	5	Peru	4	United States of America	5
Croatia	3	Jordan	6	Philippines	3	Uruguay	3
Cuba	3	Kazakhstan	2	Poland	3	Vanuatu	4
Cyprus	4	Kenya	4	Portugal	4	Vietnam	3
Czech Republic	3	Korea	6	Puerto Rico	5	Zambia	2
Denmark	6	Kosovo	2	Qatar	6		
Dominican Republic	4	Kuwait	5	Romania	3		
East Timor	4	Kyrgyzstan	2	Russia	4		

---

Status: **legally binding**

---

**Example 4 – calculation of reasonable amount for meals and incidental expenses – overseas**

40. Prashant travels to China on business for 2 weeks and is paid a travel allowance of \$500 per day (made up of \$250 for meals and incidentals and \$250 for accommodation). Prashant's annual salary is \$191,000. Prashant usually spends \$250 per day on meals and incidentals and \$300 per night on accommodation when travelling in China. Prashant calculates the daily reasonable amount for his overseas travel as follows:

- Table 7 of this Determination applies because Prashant's salary is between \$133,451 and \$237,520.
- Table 9 of this Determination lists China as Cost Group 5.
- Table 7 of this Determination provides reasonable amounts for meals and incidental expenses for Cost Group 5 as \$240 per day for meals and \$50 per day for incidentals (that is, a total of \$290 per day).

41. Because Prashant has spent less than the reasonable amount on meals and incidentals, he can claim a deduction for the \$250 per day that he spends and he is not required to substantiate the expenditure (for example, get and keep all of the receipts for the meals and incidentals). However, because he has spent more than 6 nights away in a row, Prashant must keep travel records (such as a travel diary) for the 2 weeks he is in China. Prashant can claim a deduction for the \$300 per day he spends on accommodation but he must fully substantiate this expenditure (by getting and keeping a receipt or other documentary evidence of the expenditure).

42. If Prashant's tax return is checked by the ATO, he may be asked to explain his claim for a deduction. To do this, Prashant would show he:

- travelled to China for work
- received an allowance for the meals and incidentals for each day he travelled
- correctly declared this allowance as income in his tax return, and
- typically spent \$250 a day on meals and incidental expenses (for example, by reference to diary entries, bank records and some receipts that he kept).

43. If Prashant's travel allowance for meals and incidentals was not shown on his payment summary and he fully spent the allowance, he can choose to leave this allowance out of his tax return and not claim any deductions for the meals and incidentals he purchases when travelling and working in China.

---

**Date of effect**

44. This Determination applies to the 2022–23 income year only. However, this Determination will not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of issue of this Determination (see paragraphs 75 to 76 of Taxation Ruling TR 2006/10 *Public Rulings*).

---

**Commissioner of Taxation**  
29 June 2022

---

---

Status: **not legally binding**

---

## References

---

*Previous draft:*

Not previously issued as a draft

*Related Rulings/Determinations:*

TR 95/18; TR 2004/6; TR 2006/10

*Previous Rulings/Determinations:*

TD 2017/19; TD 2018/11; TD 2019/11;  
TD 2020/5; TD 2021/6

*Legislative references:*

- ITAA 1997 Subdiv 900-B

---

ATO references

NO: 1-TZFXZ6V

ISSN: 2205-6211

BSL: IAI

ATOlaw topic: Income tax ~~ Deductions ~~ Work related expenses ~~ Accommodation and meal expenses  
Income tax ~~ Deductions ~~ Work related expenses ~~ Travel expenses

---

**© AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).